

CITY OF SAN JOSE
2006-2007 PROPOSED CAPITAL BUDGET

FUND DESCRIPTIONS

Airport Capital Funds

Finances the Airport's capital expenditures and consists of the following: Airport Capital Improvement Fund; Airport Revenue Bond Improvement Fund; Airport Renewal and Replacement Fund; and the Airport Passenger Facility Charge Fund.

Branch Libraries Bond Projects Fund

Accounts for General Obligation bond proceeds approved by voters on the November 2000 ballot (Measure O). The use of this fund is restricted to acquisition of property, and expansion and construction of branch libraries.

Building and Structure Construction Tax Fund

Tax on residential, commercial, and industrial development. The use of these funds, along with grant revenues, is restricted to traffic capital improvements on major arterials and collectors, including bridges, culverts, lighting, and traffic control systems which increase traffic volume.

City Hall Debt Service Fund

Accounts for the debt service payments for City Hall, the City Hall off-site parking garage, and the City Hall furniture, fixtures, and equipment. This fund receives transfers from the General Fund, special funds, and capital funds in amounts sufficient to cover the debt service payments.

City Hall Renovation Construction Fund

Accounts for the revenues and construction costs related to the renovation of the old City Hall.

Civic Center Construction Fund

Accounts for the revenues and construction costs related to the construction of City Hall.

Civic Center Parking Fund

Accounts for revenues and construction costs related to the construction of the City Hall off-site parking garage.

Community Facilities Revenue Fund

Accounts for the rental revenues received from Hayes Mansion operations and provides for the accumulation and transfer of base rental income to the appropriate debt service funds for repayment of the facilities-related debts.

Construction Excise Tax Fund

Tax on the construction of residential, commercial and mobile home developments (also referred to as the Commercial, Residential, Mobile Home Park Building Tax). This general purpose tax is based on building valuation, with the majority of the revenues in the fund historically being used for traffic improvements.

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FUND DESCRIPTIONS (CONT'D.)

Construction and Conveyance Tax Funds

The Construction Tax is a flat rate assessed to residential, commercial and industrial development. The Conveyance Tax is a fee imposed at a rate of \$3.30 for each \$1,000 of the value of property conveyed. Construction and Conveyance Tax Funds are dedicated to the Park and Community Facilities, Communications, Fire, Library, and Service Yards capital programs.

Convention and Cultural Affairs Fund

Established to manage and operate the San José McEnery Convention Center, Center for the Performing Arts (CPA), Civic Auditorium, Montgomery Theatre, Exhibit Hall, and their related facilities and grounds.

Emma Prusch Memorial Park Fund

Established for the development and improvement of Emma Prusch Memorial Park.

Fiber Optics Development Fund

Accounts for the installation of a fiber optic conduit system that the City will own and lease to telecommunication companies and other users.

General Purpose Parking Fund

Accounts for operation of City parking lot facilities, parking lots and parking meters located within the City. Financing and capital construction of certain parking facilities are also accounted for within this fund. The Parking System provides parking to the general public and is financed through parking fees.

Interim City Facilities Improvement Fund

Accounts for the procurement of programming and relocation services, purchase of technology, furniture, and equipment, and improvements to existing facilities to implement the City's interim space plan.

Lake Cunningham Park Fund

Accounts for the parking fees and lease payment revenues used for the purchase of equipment, maintenance, and operations at Lake Cunningham Park.

Library Benefit Assessment District Fund

Accounts for the annual assessment revenues to be used for enhancing the City's library services and facilities. This assessment district sunsetted in 2004-2005.

Library Parcel Tax Fund

Accounts for the annual parcel tax revenues to be used for enhancing the City's library services and facilities.

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FUND DESCRIPTIONS (CONT'D.)

Major Collectors and Arterial Fund

Accounts for the collection of monies owed by developers for previously completed street improvements.

Major Facilities Fund

This fund is part of the Municipal Water System Capital Program. This fund receives fees associated with the connection and operation of municipal water activities for may water facilities constructed in the North San José, Evergreen, Alviso, Edenvale, and Coyote areas. Developer fees are paid into this fund for the future construction of large water mains, reservoirs, and other large projects.

Neighborhood Security Act Bond Fund

Accounts for General Obligation Bond proceeds authorized by voters on the March 2002 ballot (Measure O). The use of this fund is dedicated to acquisition of real property and construction and rehabilitation of public safety-related facilities.

Parks and Recreation Bond Projects Fund

Accounts for General Obligation Bond proceeds approved by voters on the November 2000 ballot (Measure P). The use of this fund is restricted to acquisition of property, upgrades and construction of neighborhood parks, community centers, trails, regional parks and sports complexes.

Residential Construction Tax Contribution Fund

Accounts for taxes imposed upon the construction of single-family dwelling units or any mobile home lots in the City. The tax is collected and placed in the Residential Construction Tax Contribution Fund and is used to reimburse developers who have constructed that portion of an arterial street that is wider than what is normally required in connection with residential development. The funds are also used to construct median island landscaping and other street improvements.

Sanitary Sewer Connection Fee Fund

Accounts for connection fees charged to new developers to access the City's sanitary sewer system and the regional San José/Santa Clara Water Pollution Control Plant (WPCP). Funds are restricted to the construction and reconstruction of the system.

San José-Santa Clara Treatment Plant Capital Fund

Accounts for the construction of improvements to the regional San José/Santa Clara Water Pollution Control Plant (WPCP) and the purchase of equipment through contributions from the City of Santa Clara and other tributary agencies, and transfers from the Sewer Service and Use Charge Operating Fund.

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FUND DESCRIPTIONS (CONT'D.)

Services for Redevelopment Capital Projects Fund

Accounts for funds paid directly by the Redevelopment Agency for construction and acquisition of public improvements on behalf of the Agency. To the extent construction project expenditures are not fully expended, the savings are returned to the Redevelopment Agency.

Sewer Service and Use Charge Capital Improvement Fund

This fund, used for the reconstruction of the sanitary sewer system, receives annual transfers from the Sewer Service and Use Charge Fund.

Storm Drainage Fee Fund

Accounts for fees collected from developers as a result of connections to the storm drainage sewer system which may be used for construction, reconstruction, and maintenance of the storm drainage system and for land acquisition for the system.

Storm Sewer Capital Fund

Accounts for revenues collected from owners of properties that benefit from the storm drainage system. Funds may be used for the construction and reconstruction of the storm drainage system.

Subdivision Park Trust Fund

Accounts for payments of fees in lieu of dedication of land for park and recreation purposes in residential subdivisions. Monies in the fund, including accrued interest, may be expended solely for the acquisition or development of improvements on parkland to serve the subdivision for which the fees were paid.

Underground Utility Fund

Accounts for revenues received as assessments and fees for the City's costs and expenses to place certain utility facilities underground. The Underground Utility Program implements the City's General Plan goals and policies, which state that the City should encourage the movement of existing overhead utilities underground. The fund is used to establish Rule 20B Underground Utility Districts.

Water Utility Capital Fund

Supports the Municipal Water System by funding the acquisition, construction, and installation of water system capital improvements. This system provides water service to North San José, Evergreen, Alviso, Edenvale, and Coyote areas and is primarily funded through user charges.